GOVERNMENT OF INDIA
SHIPPING
LOK SABHA

UNSTARRED QUESTION NO:2474
ANSWERED ON:04.12.2002
REVAMPING OF INLAND WATER TRANSPORT CORPORATION
PUSHPDAN SHAMBHUDAN GADHAVI

Will the Minister of SHIPPING be pleased to state:

(a) whether the Government propose to revamp Central Inland Water Transport Corporation (CIWTC);

(b) if so, the broad features and the capital outlay involved;

(c) whether the Government also propose to go for a large-scale privatisation of the Inland Waterways Transport Sector; and

(d) if so, the rationale behind this plan and the type of financial incentives to be provided for procurement of modern fleets by the private operators?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SU. THIRUNAVUKKARASAR)

(a)&(b) The Government of India has already approved a Re-organization plan for Central Inland Water Transport Corporation (CIWTC) Limited, Kolkatta in June, 2001. The broad features involved are :

i) Focussing on streamlining the River Service Division.

ii) Government will provide budgetary support of Rs.76.35 Cr. for implementing the rehabilitation package.

iii) Roll back the age of Superannuation from 60 years to 58 years.

iv) Downsizing employee strength to 1400. The Government will provide funds to the tune of Rs.27.07 Cr for implementing Voluntary Retirement Scheme.

v) Closure of Deep Sea Ship Repair (DSSR) Division. Disposal of Rajabagan Dockyard (RBD) with manpower. CIWTC to dispose land and assets of RBD along with manpower.

vi) CIWTC will enter into a back to back arrangement with road transport agencies and examine further the feasibility for such an arrangement with rail transport so as to facilitate user agencies for getting a `one stop` service;

vii) CIWTC and Ministry of Shipping will enter into a MOU on the revenue and expenditure projections for the four-year reorganization period, which will be monitored by the Ministry to ensure that the projects are achieved;

viii) Write off Government of India loan (Plan and Non-Plan) together with interest accrued thereon (amounting to Rs.425.98 crore as on 31.3.2000)

The total capital outlay for the Re-organisation Plan is Rs.139.55 crore.

(c)&(d) Yes, Sir. The Government has approved an Inland Water Transport Policy with the aim of accelerating development of inland waterways and to involve private sector in this field. It includes some policy decisions and also fiscal concession to attract private sector in IWT so that faster development of this mode is possible.

With a view to encouraging private operators to own and operate inland vessels on National Waterways, an Inland Vessel Building Subsidy Scheme has been approved by the Government under which 30% of the cost of a vessel would be provided as subsidy to the owner of the vessel, which should be operated on National Waterways. Other incentives related to encouraging the ownership of the IWT vessels include higher depreciation rate for Inland vessels and levying reduced custom duty for import of some equipment and machinery related to IWT sector.